

LEADER



A LOOK INSIDE...

Achieving Financial Security

**Consumers are Driving the
Agricultural Marketplace**

Repayment Ratios

Recent Land Sales



AG CREDIT FEATURES

Stay up-to-date with the latest Ag Credit features!

AccountAccess and AgCreditOnline Mobile

Our online/mobile banking tool allows you to view statements, make payments and transfer funds.

AutoDraft

Automatically deduct your loan payment from your checking or savings account.

FastCash

Electronically transfer funds from your line of credit loan into your personal or business checking account.

AgriLine

Write your own loan advance when you need it.

Customer Referral Program

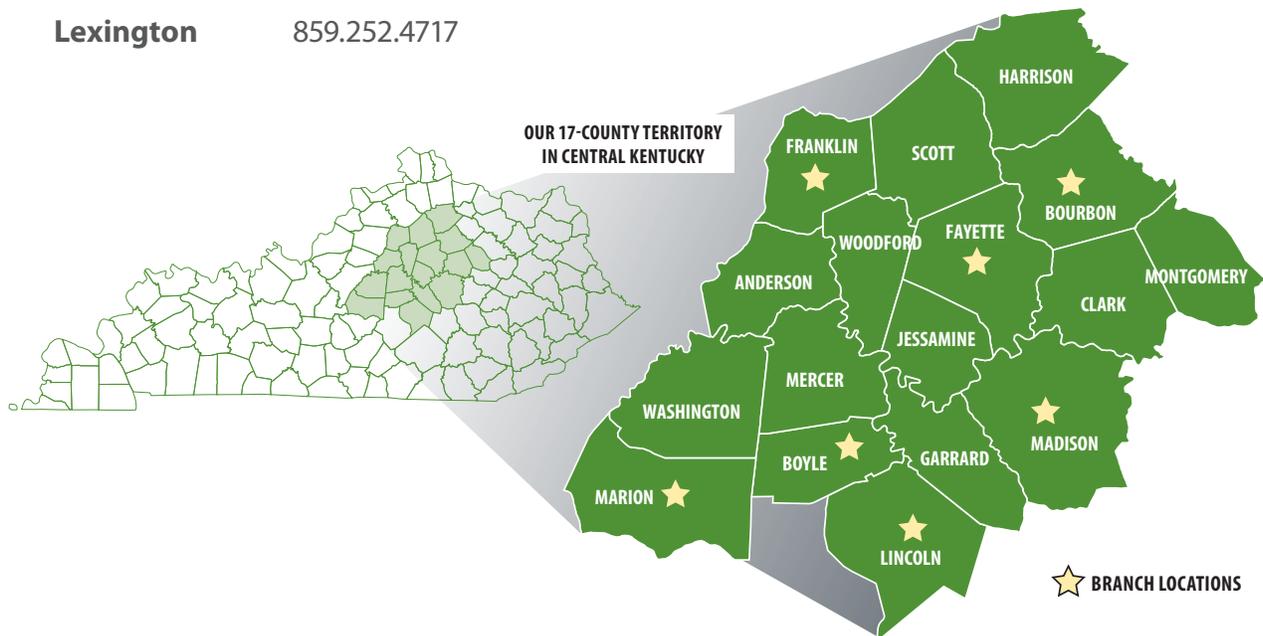
Recommend someone to Ag Credit, and if they receive a qualifying loan — you'll receive a gift!*

Social Media

Ag Credit is on Facebook, Twitter and YouTube. "Follow" and "Like" Central Kentucky Ag Credit to keep up with the Association.   

OUR LOCATIONS

Danville	859.236.6570	Paris	859.987.4344
Frankfort	502.875.0863	Richmond	859.623.1624
Lebanon	270.692.4411	Stanford	606.365.7500
Lexington	859.252.4717		



AgCreditOnline.com

LEADER

is published quarterly for stockholders, directors, business associates and friends of Central Kentucky Ag Credit.

PRESIDENT AND CEO

Jim Caldwell

BOARD OF DIRECTORS

Alvin Lyons, Chairman
Jim Rankin, III, Vice Chairman
Jim L. May
Joe Myers
Lee Hood
Mary-Lynn Hinkel
Dan Grigson

EDITORS

Robert Anderson, VP Information Systems
Courtney Tarvin, Senior Marketing Coordinator

PUBLISHER

AgFirst Farm Credit Bank

DESIGNERS

Joey Ayer
Athina Eargle
Phereby Derrick
Amanda Simpson
Travis Taylor

PRINTER

Professional Printers

ADDRESS CHANGE

Address changes, questions, comments and requests to cancel your free subscription to the Ag Credit Leader should be sent to Central Kentucky Agricultural Credit Association by calling 859.253.3249 or mailing to PO Box 1290 Lexington, KY 40588-1290.

FINANCIAL INFORMATION

The Farm Credit Administration does not require the association to distribute its quarterly financial reports to stockholders. Copies of the association's annual and quarterly reports are available upon request free of charge by calling 859.253.3249 or writing to Marcus Barnett, Chief Financial Officer, Central Kentucky Ag Credit, PO Box 1290 Lexington, KY 40588, or at AgCreditOnline.com.

PRIVACY POLICY

Your online privacy is always a top concern at Ag Credit. For a complete copy of the latest version of the online privacy policy, please visit our website and click on the home page link.

ON THE COVER

Photo by SaraVard Von Gruenigen, Stanford Ag Credit Loan Officer



NMLS#604727

INSIDE THIS ISSUE

- 4 Four Steps to Achieving Financial Security During Down Times
- 6 Time to Take it to the House
- 8 Customers are Driving the Agricultural Marketplace
- 9 What Are Repayment Ratios That My Lender Mentions and Why are They Important?
- 9 Recent Land Sales
- 10 Farming Tradition Spans Nine Generations: The Barnett Family
- 13 Outstanding In Their Field
- 15 Association News

NOMINATING COMMITTEE

During the Central Kentucky Ag Credit Annual Meeting held in early 2019, nominations will be presented to fill one vacancy on the Ag Credit Board of Directors. The 2019 Nominating Committee has the important task of seeking candidates for this position.

Member of the 2019 Nominating Committee are as follows:

Tyler Buckley, Robert Eads III, Zack Ison, J. Roger Jones III and Tyler Mattingly. Jasper Pearson and Teresa C. Reed will serve as alternates.

Members who wish to submit names for consideration as potential director candidate may do so by contacting:

**Nominating Committee
Central Kentucky Ag Credit
P.O. Box 1290
Lexington, KY 40588 1290
Phone: 800.589.7859**



FOUR STEPS TO ACHIEVING FINANCIAL SECURITY DURING DOWN TIMES

By: Russell Gray, Vice President - Credit

With interest rates on the rise and commodity prices falling, farmers are feeling the pressure of an anemic ag economy, margins have historically been tight, and current economic conditions show few signs of a rebound anytime soon. Today's producers are adjusting to a business climate characterized by low-margin returns.

Facing such adversity, smart farmers are becoming increasingly savvy as they look for ways to improve efficiencies, cut costs and ensure economic viability in both the short and long term. Here are a few points to consider:

Management is Key

The most important factor to success in farming is developing and executing sound management skills. Most farmers enjoy working with the land and their livestock. The production part of farming is in their blood, and it's what they enjoy. However, engaging in solid financial management practices is just as important, if not more so. It's essential to know where you stand financially and how to manage your income and expenses with an eye toward the future. Make sure to do an annual inventory of your operation, and practice good record-keeping skills.



While this may not be the most enjoyable aspect of farming, keeping an eye on the balance sheet will pay off in the long run.

Study the Cycles

Agricultural cycles tend to last for 10 to 20 years, and there's no denying that we're now in another down cycle after hitting record-level commodity prices in 2014 and 2015. In times like these, it's smart to preserve as much working capital as possible. Interest rates will follow the economy, so it's key to lock into an interest rate whenever you can.

I'd suggest knowing where you are in the cycle. Study historical charts and numbers to better understand the cyclical nature of your business.

Keep Living Expenses Low

When times are lean, it's extremely important to keep family living expenses low. If your gross farm income is high one year, it might be tempting to buy that new truck. But before you do, consider where you are in the business cycle, and acknowledge that next year's income might not be as good.

With that in mind, be sure to remember your

working capital when making purchases. The key is to know where your money's going. It might be surprising to see how much is covering your monthly family living expenses.

Talk With Your Lender

Successful producers don't just count bushels, head or acres – they count relationships, too. Your loan officer is in your corner, eager to help you through the inevitable tough times. The best approach is to be proactive, not reactive. Keep those lines of communication open, and work with your lender to determine your overall financial health.

If you or a loved one is sick, you don't think twice about seeing a doctor. Consider doing the same thing with your finances, and consult with a professional to come up with the right solution if you identify an issue. Your loan officer will be there to offer sound advice.

At the end of the day, there's no magical solution for remaining profitable during leaner times. It is, however, all about using common sense. Maintain good records, study the business cycle, keep expenses low and communicate with your lender.

“

The most important factor to success in farming is developing and executing sound management skills.

”



Russell has worked within the Farm Credit System for over 39 years and at Central Kentucky Ag Credit for the past 21 years.

TIME TO TAKE IT TO THE HOUSE

BY ROBERT ANDERSON



As the leaves turn to autumn colors and cold winds blow, everyone and everything begins to “hunker down” for the coming changes of winter. A change coming for me and Ag Credit, is my pending retirement after over 35 years with

Ag Credit and the Farm Credit System. Over the years I have seen many changes. After starting as a young loan officer trainee in southwest Ohio, I soon came to central Kentucky and Central Kentucky PCA I served in many roles: making loans, managing offices, helping with Association administration tasks, guiding the marketing efforts, writing for and serving as editor for this magazine. Many programs and systems were developed and implemented to improve the Association operations and services for our customers. Changing our business structure to be a long-term lender, Tobacco Settlement Support programs, Loan Origination systems, Imaging systems, Patronage programs are just a few of the changes I saw and helped along the way.

The last portion of my career focused on the information technology that serves as one of the key foundations of any modern business. Ag Credit has grown from less than \$40 million in assets to over \$550 million, and technology has been part of that – from yellow pads with a loan officers comments to Customer Relationship Management and Business Process Management systems to deliver key loan products.

A publication that developed during my career is the Ag Credit LEADER, which originally started as a four-page black and white newsletter called Financial Lines. The Ag Credit LEADER has grown to a modern quarterly magazine distributed to over 20,000 people each year and covering central Kentucky people and agriculture. I got to meet, get to know and tell the story of the people and agriculture of Kentucky. Many people had parts in that development and my hat is off to all of them for their help and encouragement over the years.

But an organization is more than programs, financial products, and business structures; it is built with and around people. The people I have worked with in Ag Credit and throughout the Farm Credit System have made 35-plus years a truly rewarding experience. Over the years, I would hear people talk

about their places of work (other than Ag Credit) in words and tones that made it clear the people and situations in their workplaces left them feeling frustrated, unfulfilled and wishing they were someone else. When people asked me why I stayed over the years, the wonderful people and relationships were a big part of that long career.

Ag Credit has worked hard at making sure the same philosophy, culture and service that has made Ag Credit stand apart in the marketplace will continue far into the future. Realizing that this all depends on people, not just buildings and computers, Ag Credit and I have spent the past years preparing the path forward by getting the right people on the bus in the right seats (in the words of Jim Collins author of the book “Good to Great”). These efforts included training of staff – both new and old – structuring our staff, leadership teams and technology into effective tools for delivering the products and services that will continue to set Ag Credit apart and ensure its success.

We all need to be aware that no matter who we are, and what role we have played in our organizations, we all stand on the shoulders of those who have gone before – other dedicated men and women who believed there was a unique role and mission for an agricultural cooperative dedicated to providing financial services to the creditworthy farmers and rural residents of central Kentucky. As I lay down my Ag Credit hat, alongside all the others who have laid theirs down before me, I know that those who pick it up will continue a great tradition that we all can be proud of.

The people who work in American agriculture are truly the greatest people to live and work with. It has been a privilege for me to play a small part in building Central Kentucky Ag Credit to an organization dedicated to the service of the farmers and rural residents of central Kentucky. People have often asked “what will you be doing when you retire?” I often describe it as slowing down to take a corner in your car, then stepping on the gas as you straighten out and accelerating in a new direction. While many plans are in the works, I haven’t “bought tickets yet.”

And as one farmhand says to another at the end of a long day of hard but satisfying work: “It’s time to take it to the house and call it a day. There will be more tomorrow.”



Farm Credit **EXPRESS** dealer locator

Ag Credit partners with several participating dealerships to provide you with flexible terms, competitive rates and the convenience you are looking for when financing your new or used equipment purchase.

Farm Credit EXPRESS benefits include:

- Decisions made within minutes
- Easy and quick financing – apply at the dealership
- Fixed-rate loan products
- Potential cash discounts from manufacturer for new equipment
- Used equipment program
- Leasing options available
- Eligible for the Ag Credit profit-sharing patronage program
- Loans are booked at local Ag Credit offices

Participating dealers in our area:

Arnett Tractor Sales
Mt. Sterling

Bobcat Enterprises, Inc.
Lexington

Central Equipment Co.
Lexington

Clements Ag Supply, Inc.
Springfield

County Equipment Co., LLC
Lawrenceburg

Double O Trailer Service, Inc.
Paris

Derby State Equipment
Richmond

Haydon Equipment, Inc.
Cynthiana

H & S Tractor Parts
Danville

HUS Equipment INC.
Nicholasville

Lawson Tractor & Implement
Lebanon

Lawson Tractor & Implement II
Stanford

Lee Farm Equipment
Lebanon

Meade Tractor
All Kentucky Locations

Montgomery Tractor Sales
*Mt. Sterling
Flemingsburg*

Pingleton Trading Co.
Lancaster

Red Barn & Assoc., LLC.
Lancaster

Winners Circle Trailer
Lexington



CONSUMERS ARE DRIVING THE AGRICULTURAL MARKETPLACE

BY DR. DAVID M. KOHL

The drivers of change in agriculture are undergoing a shift. In the past, improvements in mechanization, chemicals and biotechnology have led the way to increased production. Paving the road ahead will be biotechnology and engineering linked to information and aligned with changing consumer demographics and tastes. Drawing on “20/20 foresight,” or perceptual acuity, consider how agriculture is expected to change moving forward:

Marketplace Disruptions

The food and fiber marketplace in the agriculture industry is moving from commercialization or one-size-fits-all to very splintered segments. The brewing industry is a good example of this type of market disruption. Budweiser and MillerCoors are industry giants being challenged by microbreweries.

Further, the dairy industry is being challenged by almond, oat and soy beverages, which have contributed to a decline in fluid milk consumption. Cultured, plant-based meat alternatives – with the marketing tag of being good for the environment – are also being promoted in the marketplace. For example, the plant-based veggie burger known as the Impossible Burger is being introduced nationally as a meat alternative. Both the dairy and beef industries are working with industry regulators to ensure that only true milk and meat-based products can carry those labels.

In the past year, the major retail market disruptor has been Amazon.

These trends are only the point of the spear on challenges that producers, food processors, agribusinesses and large cooperatives will face in the future.

New generations of consumers – millennials, Generation Z and Generation A – are driving the food and fiber industry. The medical industry and younger generations are researching and observing the health

and living habits of aging baby boomers as examples of what to do and what not to do for diet and lifestyle habits. Research results are influencing product consumption.

Combine these disruptions with the fact that 1 in 10 Germans and 6 percent of Americans are now vegans. Together, these trends will have a big impact on the future of agriculture.

Implications

Over the next decade, 95 percent of success in business – particularly in agriculture – will be related to alignment. Alignment is the meshing of optimal use of land, labor, capital and, most importantly, information regarding emerging marketing trends. Secondly, the ability to assemble people inside and outside the business to achieve your goals will be increasingly important. Finally, aligning your product and service with the marketplace will be critical.

Within these parameters, 75 percent of the new generation of buyers will purchase experiences rather than products. Yes, local, natural and organic distinctions will increase in importance. Using information technology to tell the story and point of origin of products will be critical in bringing authenticity to the marketplace. Additionally, developing products aimed at various ethnic groups and offering customized, convenient services will continue to drive changes in the marketplace both in the U.S. and abroad. This will be true regardless of the enterprise or size of the business.

Whether you are a producer or in a leadership position in agribusiness, the agriculture industry is in a major transition analogous to the mechanical, chemical and biological revolutions that challenged previous generations. The future is exciting, but it will not be one-size-fits-all and will constantly be changing. Information and knowledge applied to the marketplace will be the differentiator.

WHAT ARE REPAYMENT RATIOS THAT MY LENDER MENTIONS AND WHY ARE THEY IMPORTANT?

BY JUSTIN CRAIG

With many loans, especially with homes, prudent lenders have a responsibility to show that you can comfortably make the loan payment and often use ratios to help prove the point. A couple of the common ones are Housing Ratio (aka Front Ratio) and Total Debt Ratio (aka Back Ratio).

Depending on the lender or loan program, these ratios can vary. Your current reportable income (usually in the form of an income tax return and/or pay stubs) is used. With this income information, a lender will take into consideration the pending loan payment, projected property taxes and insurance for real estate, and any other monthly/annual payment obligations you have to derive the figures.

Most loan programs have a threshold that these ratios cannot exceed in order to have the loan approved. The importance of these ratios is to make sure the lender has a sound loan portfolio, but ultimately to ensure that borrowers aren't leveraged too highly with unmanageable debt service.



Justin Craig is a Principal Loan Officer at the Lebanon Ag Credit Office. Justin joined Central Kentucky Ag Credit in 2008.

RECENT LAND SALES

The information provided in this column is only a sample of the recent land sales in central Kentucky. Since there are many factors taken into consideration when a buyer and seller establish a price, sales may or may not reflect the current market value in any particular area and should not be used in lieu of a formal appraisal by a state certified real estate appraiser to establish a value for a particular tract of land.

Irvin Group Realtors & Auctioneers

31 Public Square | Lancaster, KY 40444

859.792.2521 | IrvinGroup.com

Location 1:

Acres: 95

County: Madison

Date of Sale: 6/02/2018

Selling Price: \$456,500

Improved: Public water, two barns, woods and fenced

Location 2:

Acres: 75

County: Lincoln

Date of Sale: 6/30/2018

Selling Price: \$270,600

Improved: Four bedroom home, combination barn, tobacco barn, equipment shed, hog barn, corn facility and other out buildings

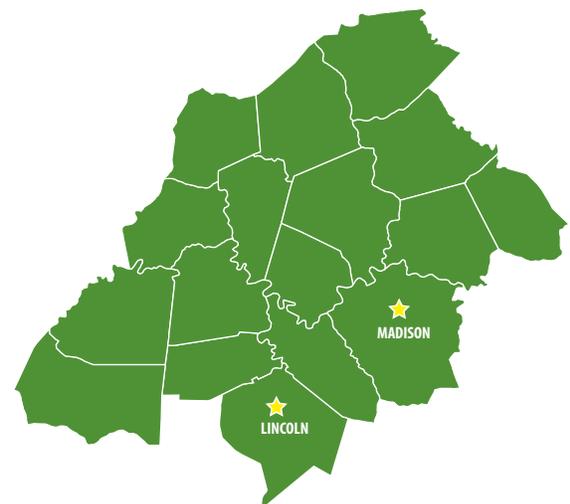




PHOTO TAKEN BY TAMMY SUE PHOTOGRAPHY. (LEFT TO RIGHT) BRANDON, HANNA, COLT, ALEX, MICHELLE AND ALLY BARNETT

FARMING TRADITION SPANS NINE GENERATIONS

The Barnett Family

It all began in 1790 when Alex Barnett's ancestors settled land in Harrison County. Eight generations later, he is continuing the farming legacy of his forefathers with the help of wife, Michelle; their two children, Ally and Brandon; Brandon's wife, Hanna; and grandson, Colt.

The Barnetts farm in both Bourbon and Harrison counties, and live in Cynthiana. Most of their crops are produced on their 320 acres in Bourbon County, which has been in the family for four generations. The family uses its 1,200-plus acres in Harrison County to grow crops and to maintain 350 brood cows, which calve in the spring and fall. Firm believers in diversification, the Barnetts supplement income generated from their cattle by growing tobacco and selling around 18,000 bales of orchard grass and alfalfa hay annually.

"I tell Brandon and everyone I can the importance of being diversified," Alex said. "My father used to

tell me that and he was right. Tobacco production in this area, this year, has been very difficult, so being diversified is something that's important."

The Barnetts are also avid hunters and raise sunflowers. An estimated 1,500 to 2,000 visitors come to a four-acre field near the Harrison-Bourbon county line for two weeks each summer to take photos amid the tall, bright flowers.

Well before he graduated from Cornell University in 1990 with degrees in ag economics, farm management and finance, Alex knew he wanted to return to his ancestral home to help his father, Kenton. Kenton passed away eight years ago, when Alex was not only trying to manage the operation himself but was also running for the office of county judge executive.

Michelle, who hails from Cincinnati, admits that she didn't know much about farming when she and

“

All I've ever wanted to do is be a farmer, and now I'm able to pass the reins on to Brandon.

”

ALEX BARNETT



Alex began their relationship, but she says she quickly grew to love the rural way of life. “I saw how much Alex loved farming and being in a small town. He loves taking care of his animals and the land. I can honestly say, 28 years later, that this was a wonderful place to raise our family.”

Now in his fourth term as the county judge executive, Alex has turned over daily farm operations to Brandon, who has embraced the responsibility with enthusiasm. “Ever since my junior year of high school, I knew I wanted to farm,” said Brandon, whose focus is on carefully expanding the operation by not getting too big too fast.

Working on the Barnett farm is truly a family affair. When Alex isn't tending to business at the courthouse, he's working the land. Michelle manages the books and also serves as an ombudsman for nursing homes in Bourbon, Nicholas, Harrison and Scott counties.

Daughter Ally is working on a master's degree in community leadership and development with a focus on agriculture safety at the University of Kentucky. When she's not in class or serving as a teaching assistant, she's at the farm helping out with any job

that needs to be done. “Growing up I knew I liked the farm, but I realized in college how much the family farm meant to me,” she said. Ally added that she also enjoys spending time with her dad hunting for the elusive deer they call “the one.”

Brandon's wife, Hanna, is in charge of feeding the bottle calves when she finishes her day job at a local bank. “I didn't grow up in a farming family, so I didn't know what I was getting myself into,” she said with a laugh. “I've spent a few nights in the kitchen crying over calves, and I never would have thought I'd do that. I'm so happy to be part of this family, and farming has truly taught me a lot about life.”

“I remember that I was driving tobacco setter this summer, and I looked up to see Ally working the ground, while Brandon was spraying it, getting it ready for the tobacco. And then Michelle brought us lunch,” Alex said. “This really is a family farm.”

Despite their jobs on and off the farm, the Barnetts make it a point to be active members of their community. While running for the county judgeship, Alex bought a large grill to cook at events throughout the year, such as fund-raisers, weddings and cookouts for nursing home residents. This year, the Barnetts



organized a sponsorship program that provides backpacks for students attending the Community Action Council Preschool. More than 100 personalized backpacks, filled with school supplies and goodies, were distributed. The Barnetts also plant turnips and give them away to anyone in need.

Alex serves on over 20 different boards and commissions, including those on local and state levels. The entire family is extremely involved within their community and state, as they see the value of being involved and giving back to others.

The family is also heavily involved in Farm Bureau activities and have a great relationship with Ag Credit. Alex credited Tom Zack Evans, his Ag Credit loan officer, for helping to guide the family farm down a

path of sensible growth and prosperity.

Brandon agreed. "Working with Ag Credit has been great," he said. "When I came on, we were just supporting one family. Now, we need to support two. We couldn't have done that without Ag Credit."

Alex is already thinking about that 10th generation of Barnetts, which he hopes will carry on the family farming tradition. "All I've ever wanted to do is be a farmer, and now I'm able to pass the reins on to Brandon. Ag Credit has been a great partner by helping us diversify so we can pass this farm on to future generations."

“

I tell Brandon and everyone I can the importance of being diversified. My father used to tell me that and he was right.

”

ALEX BARNETT



OUTSTANDING IN THEIR FIELD

Jeff Zinner, Frankfort Ag Credit
Loan Officer



Where are you from?

I was born and raised in Danville, KY. Once I graduated college, I moved to Frankfort, KY, to begin working for the Kentucky Department of Agriculture. Frankfort has been “home” for my wife, Megan, and me, for the majority of the past 15 years and the place we have chosen to raise our two kids, Peyton and Quinn.

Did you grow up on a farm?

I actually did not grow up on a farm and attended the Danville Independent Schools, however, I was heavily involved in 4-H. Through 4-H, I was exposed to many opportunities with my primary focus on raising and showing livestock. My brother, JR, and a good friend, Josh Hack, started showing sheep together in the late 1980’s and have owned and operated Wether or Not Show Lambs together since 2000. The experiences I had through 4-H sparked an interest in agriculture and eventually inspired me to pursue a career in agriculture. Although I did not grow up on a farm, I have spent 30 of my 36 years around some type of livestock every day. I met my wife through showing livestock, and outside of swim and dance, my daughters live for any activity that involves cattle, lambs, pigs or horses.

Where did you go to college?

I am a proud graduate of Eastern Kentucky University. I graduated with a Bachelor of Science degree in agribusiness and an Associate of Science degree in livestock management. I was fortunate to meet many of the current Central Kentucky Ag Credit staff while attending EKV. I went to EKV expecting to earn a degree in agriculture education, however, early in my collegiate career I was lucky to have two influential teachers and

mentors enter my life, Michael Judge and Jim Caldwell. After taking a few courses with these individuals, I made a quick change of course and realized agribusiness was a passion of mine. I have been fortunate to work for each of my mentors since graduating. Additionally, I have attended the University of Kentucky for post-graduate work in career and technical education and I am just shy of completing my master’s degree.

Were you involved with any clubs or teams growing up?

Growing up I was involved in many clubs and teams. As mentioned previously, I was involved in many 4-H clubs and projects, including Sheep/Livestock Club, Livestock Judging, and 4-H Teen Council. In high school, I was an active member of many clubs and groups, including National Honor Society, Student Council and Diversity Club. Throughout my time at Danville High School, I played soccer and basketball. In college, I was a member of the Honors Program, Delta Tau Alpha Agriculture Honor Society, and the EKV Agriculture Club.

Interesting facts about yourself:

- I love spending time with my family. We do everything together and I do everything I can to be involved in the kid’s activities. I have coached many of their teams and assisted with all of their livestock projects. Now that each of our kids has chosen extracurricular activities I am awful at, swim (I can’t) and dance (two right legs), I have been forced into being a sideline supporter and I love every minute of it!!! I am now a certified USA Swimming Official — never saw that coming.

- I served as the manager of the world's largest purebred livestock show (NAILE).
- I judge market lamb and breeding sheep shows around the country.
- I was a member of the State 4-H Livestock Judging Team in 2000.



Are you a member of any committees, groups or boards?

I am currently treasurer of the Franklin County Extension Board and serve on the Franklin County Extension Council. Additionally, I am a member of Farm Bureau and the Franklin County Cattleman's Association. I currently serve or have served on many committees that pertain to the North American International Livestock Exposition (NAILE), including the Executive Committee, Sheep Advisory Committee, Dairy Advisory Committee, Consultant Committee, and Ethics Committee. I am also a member of the Youth Livestock Committee for the Kentucky State Fair.

Favorite part of being an Ag Credit Loan Officer:

- My relationships with the customers.
- Learning about and assisting with customer's farming operations and having the ability to get in the field and visit with each farmer.
- Helping young farmers get started.
- Learning about different methods of farming and seeing the diverse agricultural crops and agribusiness opportunities that Central Kentucky farmers are taking advantage of.

SAME APP. NEW LOOK.

You can still enjoy the convenience of AccountAccess from your mobile device with our mobile app, **Ag Credit Online Mobile**. Now the app is easier to find with our updated icon.

- Fast, easy and secure.
- FREE, 24/7 access to your account.
- Avoid Late fees. Your payment is posted as soon as the next business day.
- Link and use up to three separate checking and savings accounts to make your payments.
- Fingerprint or facial recognition log in available

The app is available in both the Apple App Store and in the Google Play Store. Search for **AgCredit Online Mobile!**



In order to use the AccountAccess app, you must first sign up for AccountAccess online at AgCreditOnline.com. AccountAccess is a trademark of AgFirst Farm Credit Bank. Android is a trademark of Google Inc. Apple and iPhone are trademarks of Apple Inc.

ALICIA HAHN JOINS DANVILLE OFFICE



Alicia Hahn recently joined the Danville Ag Credit staff as loan assistant.

Alicia previously worked for Baumann Paper in Lexington as an insides sales representative. Alicia is a native of West Palm Beach, Florida, and moved to

Mercer County in 2005. She is a graduate of Bluegrass Community and Technical College.

Alicia's husband, Logan, works at Kid Glass and together the couple farms 217 acres in Mercer County. The farming operation consists of 100 head of feeder cattle and they also produce hay. Alicia and her husband also own and operate The Cabin, LLC, an outdoor wedding and event venue. Alicia manages The Cabin and organizes upcoming events.

The couple has two children, Cayden and Mia, and the family attends Bruners Baptist Church in Harrodsburg.

CHRISTINA SAYLOR NAMED AG CREDIT ACCOUNTANT



Christina Saylor has assumed the position of accountant with Central Kentucky Ag Credit. Christina will work in the administrative office in Lexington in coordination with Marcus Barnett, the Association's chief financial officer and Thomas

Whitaker, association accountant.

Christina obtained her masters degree from Eastern Kentucky University in business administration and she earned a Business Administration degree with a concentration in accounting from Berea College.

She was recently employed with Parker-Hannifin in Lexington as an accountant. She held the position for over 13 years. She also enjoys working at two local nursing homes in her spare time. Over the last eight years, Christina has worked part-time at both The Terrace Nursing and Rehabilitation Facility and at Berea Health and Rehabilitation.

Christina is a resident of Berea, and enjoys spending time with her family. She has five children: Samantha, Patrick, Stephen, Andrew and Sierra, along with four grandchildren: Ethan, Savannah, Brayden and Greyson. Christina also enjoys volunteering for the Berea Kiwanis Club.

GINNY BRYANT JOINS RICHMOND OFFICE



Ginny Bryant has joined Central Kentucky Ag Credit as a Loan Assistant and she will serve in the Richmond office.

Prior to assuming her duties with Ag Credit, Ginny was a commercial loan Assistant with Community

Trust Bank in Richmond. Ginny worked for Community Trust Bank for almost 13 years. She was also a documentation analyst with Plexus Electronic Assembly in Richmond.

Ginny is a native of Estill County and grew up on a walking horse farm, helping her father train horses. She earned her education from Eastern Kentucky University with an associates degree in office assistance and technology.

Ginny and her husband, Kris, have two children Kaeli and Dylan. Kris works for Carhartt in Irvine and the family attends New Bethel Baptist Church #1. Ginny also teaches Sunday school at New Bethel Baptist and enjoys spending time with her family.

NOE APPOINTED TO AGRICULTURAL FINANCE BOARD



Gov. Matt Bevin has appointed Jonathan Noe, of Central Kentucky Ag Credit, to the Kentucky Agricultural Finance Corporation (KAFC), representing Farm Credit Association officers across the commonwealth.

“As both a farmer and lender to agriculture, it is a true honor to be selected to serve on the Kentucky Agricultural Finance Board,” said Noe. “The impact the Kentucky Agricultural Finance funds have had on Kentucky farm families is evident across the commonwealth, and I look forward to working with fellow members of the board to further diversify and advance Kentucky agriculture.”

Noe is a Garrard County native, raised on a backgrounding feeder calf and tobacco farm. Noe previously worked for Central Kentucky Ag Credit in the Richmond and Stanford areas, and currently serves as the chief lending officer in the administrative office located in Lexington.

Noe is a graduate of Eastern Kentucky University with a Bachelor of Science in agriculture and a minor in business. Noe has held numerous agricultural and community positions over the years, including serving as chairman of the Garrard County Extension Board and secretary/treasurer of the Garrard County Cattlemen’s Association. He is active in his church, Forks of Dix River Baptist Church, and along with his wife, Keri, and their three sons, currently resides in Lancaster.

Noe’s appointment is effective through June 26, 2022.

The KAFC addresses the unique financing needs of agriculture in the commonwealth. The mission of the KAFC board is to strengthen Kentucky agriculture by providing access to low-interest loan programs through partnerships with local lending institutions. KAFC assists beginning farmers, farm families and agribusinesses in obtaining the necessary capital to establish, maintain or expand their agricultural operations.

MARION COUNTY AG SAFETY DAY



(LEFT TO RIGHT) JUSTIN CRAIG, LEBANON AG CREDIT PRINCIPAL LOAN OFFICER; TAYLOR SMITH, LEBANON AG CREDIT LOAN OFFICER; ANNA BROWNING, LEBANON AG CREDIT LOAN OFFICER; CHRISTAN MIRACLE, EXTENSION AGENT FOR AG & NATURAL RESOURCES; AND DANIELLE FORD, EXTENSION AGENT FOR FAMILY & CONSUMER SCIENCES.

The 2018 Marion County Ag Safety day was held in September at the Marion County Extension Office. The program focuses on educating youth about farm safety, along with general safety practices. The Ag Safety Day featured classes on: electrical safety, drug awareness, internet safety, farm equipment safety, animal safety, ATV safety, water safety, grain bin safety, firearm safety, first aid, and food safety/hand washing.

Central Kentucky Ag Credit is proud to support programs that educate youth on the importance of farm safety.

ANDERSON AND SAUNDERS ANNOUNCE UPCOMING RETIREMENT



(LEFT TO RIGHT) JIM RANKIN III, VICE CHAIRMAN OF THE AG CREDIT BOARD OF DIRECTORS; WITH KATHY SAUNDERS, EXECUTIVE ASSISTANT; AND ROBERT ANDERSON, VICE PRESIDENT INFORMATION SYSTEMS.

Robert Anderson and Kathy Saunders will be retiring at the end of 2018, after each serving 35 years in the Farm Credit System.

Robert first started his career with Southern Ohio Production Credit Association in 1982. He then joined Central Kentucky Ag Credit in 1986. Robert's skill set has enabled him to work in a wide range of areas, including credit, appraisal, planning and policy, but the marketing and information systems roles have been his focus. "Robert has played a key role in the

development of our technology and e-commerce vision," said Ag Credit President Jim Caldwell. He continued, "These functional areas are now key to the overall success of our organization and Robert has lead the way in moving our systems forward."

At retirement, Robert will have over 32 years with the Association and over 35 years of Farm Credit System experience. Robert is also the founder of this LEADER magazine, and has been the editor since its inception in 1993.

Following 35 years of service at Central Kentucky Ag Credit, many in the role of executive assistant, Kathy Saunders will also be retiring. Kathy has assisted three different Association presidents during her tenure: Cecil Ellis, Jr, Larry K. Stone and Jim Caldwell. In her role, she also provides key support to the Board of Directors. According to Board Chairman Alvin Lyons, "Kathy has done an excellent job in coordinating and planning Board activities. Her high quality work has helped the Board function efficiently and smoothly."

Most customers are familiar with Kathy from the Association annual meetings. Kathy has organized and coordinated the annual meetings and board meetings over the past 35 years, along with her numerous other duties.

Thanks, Kathy and Robert for your vision and leadership through the last 35 years!

PRIZE WINNING HAM



TIMMY JONES, PRESIDENT OF MARION COUNTY FARM BUREAU, ETHAN ESSEX, ANNA BROWNING, AG CREDIT LOAN OFFICER AND STEVE DOWNS, PRESIDENT OF MARION COUNTY CATTLEMEN S ASSOCIATION.

The Marion County Ham Days Country Ham auction was held at the end of September. Ag Credit partnered with the Marion County Farm Bureau and Marion County Cattlemen's Association to purchase the grand champion ham for a combined bid of \$2,500. The exhibitor of the champion ham was Ethan Essex, the son of Leo and Donna Essex.

AG CREDIT DONATES FOOD TO NON-PROFITS



(LEFT TO RIGHT) PAUL PURCELL, DANVILLE AG CREDIT LOAN OFFICER; BETH MOBLEY, DANVILLE AG CREDIT LOAN OFFICER; RAMONA MILBURN, SUNRISE CHILDREN S SERVICES; BARRY WELTY, CAVERNDALE FARMS; AND BRAD GODBEY, DANVILLE AG CREDIT SENIOR LOAN OFFICER.

Central Kentucky Ag Credit partnered with both Caverndale Farms and ProAg to purchase two hogs at the 2018 Boyle County 4-H and FFA Youth Livestock Investment sale.

The hog purchased with Caverndale Farms was donated to Sunrise Children’s Services. The hog purchased with ProAg was donated to Grace Café.

“The investment in the youth livestock sale allows us to not only reward the children and their hard work, but also impact the local community,” said Brad Godbey, Danville Ag Credit loan officer.

“By partnering with local businesses, we were able to benefit a youth participant while also supporting Sunrise Children’s Home and Grace Café by being able to donate the meat. This provides a financial benefit to the home and the children that stay there. It is truly a win-win for everyone involved.”

“The 4-H program teaches students the value of hard work and community service,” said Paul Purcell, Danville Ag Credit loan officer. “These kids did an excellent job producing animals of the highest-quality. I can’t imagine a better tribute to their effort than sharing the harvest with our community. We simply followed the example set by these young people.”

Seventeen youth and their families partook in the 20th annual Boyle County Youth Investment Livestock Sale in September. Participating youth received lessons on how the investment of themselves through hard work, time management and animal husbandry can translate into an economic reward.

“It’s a blessing to have such a supportive and giving agricultural community, like we have in Boyle County,” said Beth Mobley, Danville Ag Credit loan officer.

Youth and young farmer activities have always ranked high on Ag Credit’s list of community support activities, since young people represent the future of farming.



(LEFT TO RIGHT) BETH MOBLEY, DANVILLE AG CREDIT LOAN OFFICER; ROCHELLE BAYLESS (GRACE CAFE FOUNDER/EXECUTIVE DIRECTOR) ;JODY AND ROBBIE MATTINGLY (PRO AG SALES AND SERVICES) ARE PICTURED IN FRONT OF THE BIRDHOUSE AFTER 300+ POUNDS OF DONATED PORK WAS PRESENTED TO THE CAFE.

AG CREDIT EXTENDS APPRECIATION TO RETIRING YOUNG FARMER COUNCIL MEMBERS



THE COUNCIL MET SEVERAL TIMES IN A CLASSROOM SETTING WITH FACILITATOR, DR. STEVE ISAACS DISCUSSING A RANGE OF TOPICS.



SEVERAL MEMBERS OF THE YOUNG FARMER COUNCIL MET WITH THE AG CREDIT BOARD OF DIRECTORS TO PRESENT THE AGSTART PROGRAM. THEY ALSO EXPLAINED THEIR NEEDS AND CONCERNS AS YOUNG FARMERS TO THE BOARD.



THE YOUNG FARMER COUNCIL MET THIS SUMMER AT COUNCIL MEMBERS, MATT AND JESSICA HOGAN'S FARM, BLACKWOOD STABLES, LLC, IN WOODFORD COUNTY. THE GROUP TOURED THE OPERATION AND ENJOYED SPENDING THE AFTERNOON TOGETHER.



IN 2015, THE COUNCIL TOURED PETERSON FARMS GRAIN OPERATION IN MARION COUNTY, MAKER'S MARK DISTILLERY AND THE OSBOURNE FARM IN WASHINGTON COUNTY. IN THE PHOTO ABOVE, BOB OSBOURNE DISCUSSES CROPPING ON THE OSBOURNE FARM TO THE YOUNG FARMER COUNCIL MEMBERS.



DURING THE SUMMER OF 2016, THE COUNCIL MET AT JARED AYERS FARM IN GARRARD COUNTY. AS WITH ANY FUNCTION, FOOD IS A MAJOR PART OF THE MEETING. THE PHOTO SHOWS MEMBERS FILLING THEIR PLATES AS THEY PREPARE TO LEARN MORE ABOUT JARED'S OPERATION.

The Ag Credit Young Farmer Council was established in 2013 to provide input into programs and products needed by young and beginning farmers to the Board of Directors. After five years on the council, each member's term has expired and they will be retiring from the council. Ag Credit would like to thank the 2013-2018 members of the council. This council gave young farmers a voice in establishing the strategic direction of Ag Credit.

According to Ag Credit President and CEO Jim Caldwell, members of the council contributed new ideas and insight into youth farm needs. "Not all credit needs are the same," explains Jim Caldwell. "Young farmers face unique financial needs and challenges that are not the same as the needs of experienced, established farmers." Continuing, Jim pointed out that Ag Credit is a cooperative that is owned by those who borrow from the Association, thus it is wise to help the younger generation progress in a financially responsible manner. "They are the future of our Association and central Kentucky agriculture," says Caldwell.

The Council members played a valuable part in helping Ag Credit shape how we do business with young farmers of Central Kentucky. The Council laid the groundwork to create our AgStart program, focusing on young, beginning and small farmers. Considering the five year anniversary, we want to ensure that other young farmers in the area are afforded the chance to help the council with its mission.

A special thank you goes to Dr. Steve Isaacs, University of Kentucky Ag Economics Professor, for facilitating the meetings. He is always engaging and challenging leadership, which has helped encourage participation and make the effort a more worthwhile journey.

The Association would like to sincerely thank the members of the 2013 – 2018 Ag Credit Young Farmer Council!



Central Kentucky Ag Credit
PO Box 1290
Lexington, KY 40588-1290

PRSR STD
U.S. POSTAGE
PAID
COLUMBIA SC
PERMIT 1160



We're Here For you When You Need Us!

Let Ag Credit finance your American dream!
Working with Ag Credit to finance your
home, farm or recreational property can
be just as enjoyable as fishing.

You'll like the way we do business!



NMLS# 604727

AgCreditOnline.com

